Target Marketing of Slaughter Goats

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Preface

For several years we have provided Goat Rancher readers with information about various aspects of goat marketing: supply, demand, channels, import competition, pricing patterns, constraints, and opportunities. We have also documented the seasonality of our domestic goat supply and its recurring, adverse effects on prices received by producers.

Basically, our heaviest supply and lowest price months are Jul, Aug, Sep, and Oct, primarily due to large auction runs from extensively managed operations in western TX and other low rainfall locations. Beginning in mid-Nov, supply lessens and prices begin to rise, sharply so in Dec, and stay relatively high during the winter and until just after the two Easter dates. Thereafter, prices decline slowly toward the summer slump. (We are uncertain whether this decline is primarily due to slowly increasing supplies or to a diminution of demand—probably both).

Certain price spikes occur even during the higher-price winter months as a result of more intense demand associated with holidays observed by large ethnic groups. Other price spikes are engendered in other months by non-religious holidays observed by other cultures and by certain Muslim holidays (which shift forward annually with the lunar calendar). See below for more detail.

Introduction

We define target-marketing as a management scheme in which portions of one’s herd are bred to produce kids that will reach desirable age/weight/condition (as defined) for sale at a predetermined time, e.g., the winter quarter, or during a 7-10 day interval prior to a major, peak-demand holiday in any month.

We readily concede that target-marketing of slaughter goats may not be a logical strategy for all producers. Goat production, particularly that from large, extensively managed herds in low rainfall areas (with high spring/summer temperatures and reduced milk yield), is dictated mostly by agro-climatic conditions (seasonal availability of brush species, native grasses, and weeds; little winter shelter, erratic labor requirements/availability, and the traditional practice of ‘natural’ breeding time—year-round exposure to bucks).

Also, many producers in the Southeast (whether large or small) historically favor fall breeding/spring kidding mostly because of forage availability and, also, the convenience of pasture-kidding limits labor/facility needs. This practice does, however, almost ensure lowest selling prices for 50-70 lb kids as well as more costly parasite-control programs. Some portion of these producers should probably consider target-marketing as a more profitable option.

However, we feel that producers in those states closest to our largest ethnic populations (Washington, D.C., Philadelphia, NYC, NJ, CT, and MA) are probably best positioned to undertake target-marketing programs. Typically they are smaller, more intensively managed operations enabling the required closer control of their animals.

Too, these areas have relatively cheaper preserved-forage routinely available and can often provide economical by-product feedstuffs for supplementation. Moreover, the harsh climate enables somewhat better parasite
control than the warmer, more humid production areas to the south. Contrarily, they have a shorter growing season, more inclement weather, require more facilities, and may experience higher off-farm labor costs.

We acknowledge that successful target-marketing requires “out-of-season” breeding which is a marked departure from the more traditional fall breeding practice. We also concede that some portion of does, regardless of breed (or breeder claims), experience anestrus (will not cycle/come into heat) during some months of the year (spring seems to be the worst time). A high incidence of such behavior within a herd would make it difficult to meet certain target-marketing dates.

Contrarily, almost all herds, regardless of breed, contain some portion of does that cycle out-of-season. Such animals could be ‘selected-out’ for use in target-marketing programs. I am uncertain of the heritability of this trait, but suspect it, like other repro traits, is rather low.

In any case, does can be induced to cycle during a period of anestrus by using reproductive management procedures. Moreover, cycling does can be economically synchronized to produce groups of kids of similar age (3-10 days) for management and marketing convenience. Procedures for managing estrus are briefly described below.

Implementing a Target-marketing Program

To properly consider undertaking a target marketing program, producers must ask themselves certain questions and carefully evaluate answers, whatever the source. We illustrate below.

WHY should you do this program? To take advantage of the higher prices paid for slaughter goats during a certain season or month or religious or secular holidays throughout the year. Seasonal premiums typically exceed contemporaneous prices by 20-25% or more, while certain holiday premiums may also exceed their contiguous weekly prices by similar amounts.

WHEN are these premium prices paid? The winter quarter typically sees the highest prices paid during the year. Christmas and Easter (Roman and Eastern Orthodox) holidays bring even higher premiums as do Muslim and Jewish holidays and also some secular holidays. See Table 1 for a five year listing of these holidays; see also www.interfaithcalendar.org for more detail.

WHERE are the major sales venues for these holiday venues? Co-author Herr identifies the New Holland, PA auction as the largest such venue, but notes additional venues along the eastern seaboard, Southeastern states, and ‘corn-belt’ states which have regional and local auction barns, long known to experienced producers. Caveat: there is some ‘turnover’ of these sites, particularly the smaller ones, and, too, sufficient buyers are not always present at some of them.

Traders/brokers also work many of these areas seeking private-treaty transactions. Moreover, certain states have ‘buying stations’, public or private, for collecting/purchasing goats. Their presence is known to experienced producers, and some of these units advertise in agricultural trade publications. Additional buying sites are described at www.sheepgoatmarketing.info.

Some portion of goats purchased at these smaller, more remote locations in the Midwest and Southeast move directly to the larger packers in NJ, PA, and NY or to local/regional packers. Most of the remainder (together with some from TX, OK, MO) passes through the New Holland Sale with substantial numbers going to small packers serving specific clientele with rather particular needs and also to entrepreneurs stockpiling goats and sheep for direct-marketing to ‘walk-in buyers’ at their small holding facilities.

Producers should understand that prices paid at New Holland (current or ‘expected’) seriously influence prices offered at the more remote sales venues where the buyers necessarily factor-in transportation costs, shrinkage, death loss, and, of course, profits).
Producers should also be aware that New Holland premium prices paid for the high-demand holidays may suffer occasional, but sharp downturns because unexpected surges in supply may exceed demand for certain live weight classes. Gambling on supply/demand at Easter can be particularly fraught.

Caveat: unlike most regional auctions, New Holland still sells goats (and sheep) on a per-head basis, not per-pound. Co-author Herr and others have sought to get this practice changed, but to no avail. This situation is thought to benefit buyers to the detriment of sellers and producers, but the owners remain unmoved to date.

**WHAT are the preferred characteristics of holiday kids?** We recognize that producers considering target-marketing must have reasonably reliable information about the preferred physical characteristics of goats demanded for specific holiday markets. However, in the real world of goat marketing, there is considerable variation (‘acceptable flexibility’) in these optimum characteristics as affected by specific venue, the ethnic diversity of the buyers present, and the shifting supply/demand patterns as the sales progress.

Generally speaking, ‘holiday-market’ goats need to be ‘clean’, in good body condition, and have desirable body conformation/grade (not less than a mid # 2, but preferably higher). Optimum weight ranges, ages, and sexes are described for certain of the major holidays at www.sheepgoatmarketing.info

Note therein the specific proscriptions against certain characteristics of age and sex and weight range; goats failing to meet such specific demand characteristics will be considered ‘unacceptable’ (although they may well be taken, but at appreciably lower prices, for alternative uses, or by less discriminating buyers filling pressing individual orders).

**HOW do producers plan and execute breeding programs to achieve target-marketing goals?** First, of course, you decide the holiday date to be targeted.

Secondly, you subtract 7-10 days to get a delivery date to the sales venue (this will allow necessary time for selling, transporting, slaughter/processing, and delivery to retail venues just in time for the actual holiday sale date).

Thirdly, you identify the permissible weight range to be achieved in time for the targeted delivery date.

Fourthly, you estimate the average daily gain (adg) your kids are likely to achieve, birth to sale date. (On-farm experiences have found that the adg of well-bred, well-managed kids will typically be about .4 lb with a range from .33 to .50 lb, depending on birth size, litter size, sex, available milk, supplemental feeding program, length of growing period, and health status. If you know the typical adg of your prior kid crops, use this figure rather than the estimated .4 lb).

Fifthly, calculate the number of days, birth to sale time, needed to grow newborn kids to the mid-point of the desirable weight range. To illustrate, suppose the targeted weight range is 50-70 lbs with a mid-point of 60 lbs. Subtract the average birth weight of your kids (male and female), say, 7 lbs from 60 lbs = 53 lb of gain to be achieved. Divide 53 by .4 (expected adg) = 132 days required to grow the kids from birth date to sale date.

Sixthly, calculate the required average kidding date needed by subtracting the needed 132 days from the sale date.

Seventhly, count backward from the kidding date 150 days to determine the average breeding date needed. Ideally, you would like for all the does to be bred on this date, plus or minus a few days. Can a two-week ‘breeding window’ be realized in actual practice? No, not absolutely, but… you can come surprisingly close using well-researched reproductive management practices, as described below.
But first, an important caveat; none of us are Veterinarian or specialists in reproductive physiology. Therefore, for those readers seriously contemplating the use of estrus management techniques as generally/briefly described below, we suggest you review the latest Update on Estrus Synchronization in Goats: A Minor Species (J. Anim. Sci. 2004), authored by N.C. Whitley and D.J. Jackson, U MD-Eastern Shore.

Dr. Whitley may be reached at nwhitley@umes.edu or 410-651-61994 for a copy of this publication and for further assistance if/as needed. In the meantime, we offer certain information concerning the twin topics of synchronizing estrus in cycling does and inducing estrus in anestrus (non-cycling, aka out-of-season breeding) does.

Experienced breeders sometimes use the well-known ‘buck-effect’ phenomena to good advantage in scheduling tight breeding intervals. In this scheme, the buck is first separated from the cycling does for at least 4–6 weeks, or longer, prior to the expected breeding period (isolate him beyond sight, hearing, and, if possible, smell). Thereafter, he is introduced to the (cycling) does 5-7 days prior to the chosen ‘breeding window’; a few days thereafter, many of the does will begin to exhibit estrus and breed within the chosen interval; 60-80% conception rates are typically achieved. (Those that do not breed will usually return to estrus in 20-21 days and can join a subsequent breeding group).

Breeders wishing to tighten the programmed breeding interval and/or perhaps to improve conception rate within the chosen interval can use an endocrine treatment to synchronize estrus cycles (with/without using the buck-effect). The most common pharmaceutical so used seems to be dinoprost tromethamine, trade name Lutalyse, available from Pfizer or via Veterinarians. There are, of course, additional options, each with varying rates of success (none are a ‘sure-thing’, but conception rates of 70-90% are reported).

The pharmaceuticals necessary to induce estrus in anestrus does are much harder to come by, at least in the U.S. Not very long ago, a commercial product, SynchroMate-B (norgestomet, one of a number of pharmaceuticals called progestogens) was successfully—and legally—used to induce estrus in anestrus sheep; it also worked well in goats and was widely used in artificial insemination and embryo transplant programs. It is no longer being manufactured; I don’t know why.

However, a number of intravaginal progestogen sponge products and CIDRs are successfully used worldwide for inducing estrus in anestrus goats. Unfortunately, none may now be legally used here except for ‘experimental’ purposes by researchers.

Contrarily, some hope for producers may be on the way. The nation’s largest pharmaceutical company, Pfizer, received approval 10-3-06 from the Food and Drug Administration, Center for Veterinary Medicine, for its new CIDR vaginal implant under the name (trademark), Pfizer Progesterone EAZI-BREED CIDR Goat Insert.

However, follow-up our inquiries to Pfizer sales representatives have elicited little, if any, information on product availability/price. Insofar as we can tell, the product is still unavailable, for whatever reasons, except to research professionals...bummer. We will update readers as developments permit.

Alternatively, for those producers wishing to do out-of-season breeding, our dairy goat brethren have a considerable history of successfully using artificial lightening (combined with ‘buck-effect’) to enable spring breeding for increased fall kidding (to obtain ‘year-round’ milk for cheese-making and retail milk markets). However, we concede that time, labor, or housing constraints might make such a program difficult, if not impossible, to implement by some producers. See once again the repro article described above for more detail and possible combinations of light manipulation and pharmaceuticals (nwhitley@umes.edu).

FYI, my PVAMU colleague, Dr. Louis Nuti, and I conducted a research/demonstration project in 1982/3 to evaluate the effects of ‘lighting’ non-lactating Alpine and Nubian does (and bucks) during Jan and Feb.
for 16, 20, and 24 hours/day; our ‘control’ group got only natural diurnal light. We abruptly put all groups
back on natural lighting on 1 March and introduced the ‘lit’ bucks to their doe groups in mid-April.

Romance flowered almost immediately and does kidded in a very close time-span some five months
later. The observed kidding rates for the light treatments were: 2/24 for the control group (8%), 11/24 for
the 16 hr group (46%), 20/24 for the 20 hr group (84%) and 18/24 for the 24 hr group (75%); imperfect, but
quite useful.

We originated this comparative study to confirm large-scale commercial dairy goat experiences in WI
(20 continuous hrs/day of artificial lighting in Jan/Feb which achieved kidding rates of 80%-plus across
years) and in CA (24 hrs of lighting over hay bunks and adjacent covered loafing area). We found CA kidding
rates and intervals to much more variable (not so closely grouped and scattered over a longer time period)
following the introduction of the bucks than in WI.

Despite intrepid effort, my on-site evaluation/explanation of this curiously lower performance was unsuc-
cessful---at least until the night-herder, Sr. Juan Garcia, called my attention to the fact that an indeterminate
number of does in the 600 head herd ‘usually’ ate little at night and ‘always’ seemed to prefer sleeping as far
away from the (unfenced) lighted-site as possible. Having ‘found’ the cause of the problem (improper light
exposure), my scientific reputation was quickly rehabilitated.

HOW to calculate expected cost-benefit ratios of a prospective target-marketing scheme? First, sharpen
your pencil, locate your calculator, find a comfortable, silent workplace, send the spouse/children to the Mall,
and proceed with an open and inquiring mind using IRS returns and/or your private-- possibly more accu-
rate-- accounting records. If such records are incomplete, creative analysis may be required; if not possible,
you, too, could go to the mall.

In any case, try to determine the cost-benefit ratio of your most recent kidding scheme/marketing strategy.
This may be a novel (but not less necessary) undertaking for some of you. The bottom-line calculation is, of
course, how much did you really net per doe or per kid sold last year? If you can’t come up with a reasonably
reliable figure, there is not much incentive to proceed further; the mall awaits.

However, if you can derive such a usable figure, you can proceed apace by next assessing the likely costs
to be incurred if you should change your kidding scheme to pursue a particular target-market. Thereafter,
estimate the likely income to be received from selling into the (usually higher-priced) targeted market. The
difference between the two computations will be the estimated net from the new scheme.

You may at this time consider certain options….go for it, don’t go for it, herd reduction, breeding-herd
dispersal, alternative hobby livestock/poultry/exotic wildlife, golfing, crocheting, etc. Should you elect to go
for it, however, I would be pleased to be apprised of your decision and, later, the results. Were they positive, I
would applaud your sterling entrepreneurship; were they negative, I would applaud your daring risk-manage-
ment. In either case I would sincerely appreciate your efforts.